Eco-Waste Power, Inc.

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Using this Financial Report

This annual financial report for Eco-Waste Power, Inc. (EWP) consists of management's discussion and analysis and the consolidated financial statements, including notes to the financial statements. The Consolidated Financial Statements consist of the Statements of Net Position, the Statements of Revenue, Expenses and Changes in Net Position and the Statements of Cash Flows.

EWP maintains its accounting records in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board (GASB). EWP's accounting records generally follow the Uniform System of Accounts for Public Utilities and Licensees prescribed by the Federal Energy Regulatory Commission (FERC), except as it relates to accounting for contributions of utility property in aid of construction.

Overview of the Financial Statements

The following discussion and analysis of the financial performance of EWP provides an overview of the financial activities for the year ended December 31, 2015 and forecasted projections for the years 2016 to 2020. This discussion and analysis should be read in conjunction with the consolidated financial statements and accompanying notes, which follow this section.

The Consolidated Statements of Net Position provide information about the nature and amount of resources and obligations at a specific point in time.

The Consolidated Statements of Revenues, Expenses and Changes in Net Position report all of EWP's revenues and expenses for the periods shown.

The Consolidated Statements of Cash Flows report the cash provided and used by operating activities, as well as other cash sources, such as investment income and debt financing, and other cash uses such as payments for debt service and capital additions.

The Notes to the consolidated financial statements provide additional detailed information to support the financial statements.

Nature of Operations

Eco-Waste Power, Inc. was incorporated under the laws of Arizona on June 29, 2016. Our principal executive offices are located at 625 W Southem Ave., Suite E, Mesa, AZ 85210. We are a private for profit, certified veteran and minority owned organization with the intent to provide services and products for the waste and energy industry.

Our mission is to build and/or operate zero-waste to energy (Z-Wte) facilities that provide cost-effective and sustainable alternative waste and energy solutions. We seek to do this through a variety of service offerings, including our core business of owning and operating infrastructure for the conversion of waste to energy. Our facilities earn revenue from the disposal of waste, the generation of electricity and the supply of altemative commodities, such as Renewable Natural Gas (known as "syngas"), hydrogen, combined heat and power, chemicals, construction fill and distilled water.

The Company is in a unique position to bring the first of its kind large-scale commercial Z-Wte facilities to fruition. These facilities will utilize advance patented technologies to thermally convert carbon-based materials without burning into alternative gaseous fuels with zero emissions and waste. We utilize these fuels to provide energy commodities for sale that have reduced and net positive ecological impact on the environment, such as diverting landfill, reducing emissions and greenhouse gases (GHG) emissions. We are committed to "Changing the way, Green Energy" is made by creating a sustainable energy future driven by innovative technologies and supportable environmental solutions.

We believe our solution to the waste and energy problems confronted by municipalities is superior to conventional methods for providing waste management and renewable energy. The environemental benefits of integrating several proven and emerging technologies create sustainable services complementary to the environment. Our primary operations are waste and energy service and products that reduce dependence upon fossil fuels, divert MSW from landfia and the subsequent production of GHG, and reduce environmental harm with the use or cleaner alternative fuels.

Services Offered

- Innovative recycling
- Waste disposal
- Zero-waste solutions
- Environmental solutions
- Community solutions
- Construction solution and materials
- Environmental Offsets

Products Offered

- Renewable Natural Gas (Syngas)
- Electricity
- Hydrogen
- Ethanol
- Chemicals
- Water
- Combined Heat and Power

Financial & Operational Highlights

We are a recently organizaed corporation with a limited operating history and currently focued on capital raising and putting the proper team together to begin following through with tangible plans and strategies in order to become fully operational as soon as possible. We seek to finance a signification portion of our existing assets, as well as our investments in new assets, with debt capital to the extent that we believe such financing is prudent and accertive to stockholder value.

Our business is capital intensive and the construction activities, which may cost more and take longer than we estimate are represented as forecasted estimates. The design and construction of new projects or expansions requires us to contract for services from engineering and construction firms and make substantial purchases of equipment such as boilers, turbine generators and other components that require large quantities of steel to fabricate.

These complex project that include many factors and condistions which may adversely affect our ability to successfully compete for new projects, or construct and complete such projects on time and with budget.

EWP's 5-year Strategic Plan stikes a balance between the strategies, projects, programs and other initiatives aimed to ensuring success in a changing industry. The consolidated forecasts are estimated based upon 2015 average prices, contracted costs and forecasted inflation. The strategic plan includes securing additional debt securities in the form of muncipal bonds to complete initial project funding.

Developments in the Energy Market

New developments in the energy market at both the federal and state level kept EWP on high alert as it continued to monitor and address the potential impacts on the organization. Legislation at the federal and state level include the Energy Policy Act of 1992 related to federal regulation transmission access, cap-and-trade program for carbon allowances, Renewable Portfolio Standards target, Clean Energy and Pollution Reduction Acts of 2015 and

FINANCIALS

ECO-WASTE POWER, INC.

(A DEVELOPMENTAL STAGE COMPANY)

FINANCIAL STATEMENTS

For the period ended June 30, 2016

CONTENTS:

ECO-WASTE POWER, INC.

(A DEVELOPMENTAL STAGE COMPANY)

BALANCE SHEET

As of June 30, 2016

Unaudited

ASSETS	June 30, 2016
	$0
Current Assets:	
Cash	38,000
Total Current Assets	38,000
TOTAL ASSETS	**$38,000**
LIABILITIES AND STOCKHOLDER'S EQUITY	
Current liabilities:	
Related Party Note	0
Total Current Liabilities	0
Total Liabilities	**$0**
Stockholders' Equity	
Common Stock, Par Value $0.00693, 75,000,000 Authorized, 15,000,000 Issued & Outstanding	104,000
Additional Paid In Capital	-
Prior Accumulated Retained Earnings	-
Current net profit (loss)	(66,000)
Less: Dividends	-
Total Shareholders' Equity	38,000
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	**$38,000**

The accompanying notes are an integral part of these financial statements.

ECO-WASTE POWER, INC.

(A DEVELOPMENTAL STAGE COMPANY)

STATEMENT OF OPERATIONS

For the Period January 1, 2016 through June 30, 2016

Unaudited

	From Jan 1, 2016 to June 30, 2016
	$
Revenue	0
Operating expenses:	66,000
Total operating expenses	66,000
Net Profit	**(66,000)**
Net loss per common share - basic and diluted:	
Net loss per share attributable to common stockholders	0.0044
Weighted-average number of common shares outstanding	15,000,000

The accompanying notes are an integral part of these financial statements.

ECO-WASTE POWER, INC.

(A DEVELOPMENTAL STAGE COMPANY)

STATEMENT OF STOCKHOLDER'S

for the period of January 1, 2016 to June 30, 2016

	Common Stock		**Additional Paid In Capital**	**Accumulated**	**Total Stockholder's**
	Shares	**Amount**			
		$		**$**	**$**
Beginning Balance, January 01, 2016	-	0			
Issuance of Common Stock $0.00693 Par Value	15,000,000	104,000			
Net Income (Loss)	-			(66,000)	
Ending Balance, March 31, 2016	15,000,000	104,000		(66,000)	38,000

The accompanying notes are an integral part of these financial statements.

ECO-WASTE POWER, INC.

(A DEVELOPMENTAL STAGE COMPANY)

STATEMENT OF CASH FLOWS

FROM THE PERIOD January 1, 2016 TO June 30, 2016

	From January 1, 2016 to June 30, 2016
	$
Cash Flows from Operating Activities	
Net Income (loss)	(66,000)
Net cash used in operating activities	(66,000)
Cash Flows from Financing Activities	
Common Stock issued	0
Related Party Loan	0
Net Cash Flows From Financing Activities	0
Net Increase In Cash	0
Cash – Beginning	104,000
Cash – Ending	38,000

The accompanying notes are an integral part of these financial statements.

ECO-WASTE POWER, INC.

(A DEVELOPMENTAL STAGE COMPANY)

FINANCIAL STATEMENTS

For the period ended December 31, 2015

CONTENTS:

ECO-WASTE POWER, INC.

(A DEVELOPMENTAL STAGE COMPANY)

BALANCE SHEET

As of December 31, 2015

Unaudited

ASSETS	December 31, 2015
	$0
Current Assets:	
Cash	104,000
Total Current Assets	104,000
TOTAL ASSETS	**$104,000**
LIABILITIES AND STOCKHOLDER'S EQUITY	
Current liabilities:	
Related Party Note	0
Total Current Liabilities	0
Total Liabilities	**$0**
Stockholders' Equity	
Common Stock, Par Value $0.015, 75,000,000 Authorized, 15,000,000 Issued & Outstanding	225,000
Additional Paid In Capital	-
Prior Accumulated Retained Earnings	-
Current net profit (loss)	(121,000)
Less: Dividends	-
Total Shareholders' Equity	**$104,000**
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	**$104,000**

The accompanying notes are an integral part of these financial statements.

ECO-WASTE POWER, INC.

(A DEVELOPMENTAL STAGE COMPANY)

STATEMENT OF OPERATIONS

For the Period June 29, 2015 (Inception) through December 31, 2016

Unaudited

	June 29, 2015 to December 31, 2015
	$
Revenue	0
Operating expenses:	121,000
Total operating expenses	121,000
Net Profit	(121,000)
Net loss per common share - basic and diluted:	
Net loss per share attributable to common stockholders	0.0081
Weighted-average number of common shares outstanding	15,000,000

The accompanying notes are an integral part of these financial statements.

ECO-WASTE POWER, INC.

(A DEVELOPMENTAL STAGE COMPANY)

STATEMENT OF STOCKHOLDER'S

for the period of June 29, 2015 (inception) to December 31, 2015

	Common Stock		Additional Paid In Capital	Accumulated	Total Stockholder's
	Shares	Amount			
		$		$	$
Beginning Balance, June 29, 2015 (Inception)	-	0			
Issuance of Common Stock $0.015 Par Value	15,000,000	225,000			
Net Income (Loss)	-			(121,000)	
Ending Balance, March 31, 2016	15,000,000	225,000		(121,000)	104,000

The accompanying notes are an integral part of these financial statements.

ECO-WASTE POWER, INC.

(A DEVELOPMENTAL STAGE COMPANY)

STATEMENT OF CASH FLOWS

FROM THE PERIOD June 29, 2015 (INCEPTION) TO December 31, 2015

	June 29, 2015 (Inception) to December 31, 2015
	$
Cash Flows from Operating Activities	
Net Income (loss)	(121,000)
Net cash used in operating activities	(121,000)
Cash Flows from Financing Activities	
Common Stock issued	225,000
Related Party Loan	-
Net Cash Flows From Financing Activities	225,000
Net Increase In Cash	225,000
Cash – Beginning	-
Cash – Ending	104,000

The accompanying notes are an integral part of these financial statements.

Note 1. Organization, History and Business

Eco-Waste Power, Inc. ("the Company") was incorporated in Arizona on June 29, 2015. We are a private for profit, certified veteran and minority owned organization with the intent to provide services and products for the waste and energy industry. The Company was established for the purpose developing and constructing zero-waste to energy (Z-Wte) facilities to offer waste and energy services. Z-Wte facilities convert municipal solid waste into valuable commodities for use in the production of electricity and/or hydrogen. The facilities will result in zero waste sent to landfill, diverting waste that would normally go to landfill and meet all green mandates and regulations for electricity generation.

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Note 2. Summary of Significant Accounting Policies

Revenue Recognition

Revenue is derived from contracts with our consumers. Revenue is recognized in accordance with ASC 605. As such, the Company identifies performance obligations and recognizes revenue over the period through which the Company satisfies these obligations. Any contracts that by nature cannot be broken down by specific performance criteria will recognize revenue on a straight line basis over the contractual term of period of the contract.

Accounts Receivable

Accounts receivable is reported at the customers' outstanding balances, less any allowance for doubtful accounts. Interest is not accrued on overdue accounts receivable.

Allowance for Doubtful Accounts

An allowance for doubtful accounts on accounts receivable is charged to operations in amounts sufficient to maintain the allowance for uncollectible accounts at a level management believes is adequate to cover any probable losses. Management determines the adequacy of the allowance based on historical write-off percentages and information collected from individual customers. Accounts receivable are charged off against the allowance when collectability is determined to be permanently impaired.

Stock Based Compensation

When applicable, the Company will account for stock-based payments to employees in accordance with ASC 718, "Stock Compensation" ("ASC 718"). Stock-based payments to employees include grants of stock, grants of stock options and issuance of warrants that are recognized in the consolidated statement of operations based on their fair values at the date of grant.

The Company accounts for stock-based payments to non-employees in accordance with ASC 505-50, "Equity-Based Payments to Non-Employees." Stock-based payments to non-employees include grants of stock, grants of stock options and issuances of warrants that are recognized in the consolidated statement of operations based on the value of the vested portion of the award over the requisite service period as measured at its then-current fair value as of each financial reporting date.

The Company calculates the fair value of option grants and warrant issuances utilizing the Binomial pricing model. The amount of stock-based compensation recognized during a period is based on the value of the portion of the awards that are ultimately expected to vest. ASC 718 requires forfeitures to be estimated at the time stock options are granted and warrants are issued to employees and non-employees, and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The term “forfeitures” is distinct from “cancellations” or “expirations” and represents only the unvested portion of the surrendered stock option or warrant. The Company estimates forfeiture rates for all unvested awards when calculating the expense for the period. In estimating the forfeiture rate, the Company monitors both stock option and

Note 2. Summary of Significant Accounting Policies (continued)

warrant exercises as well as employee termination patterns. The resulting stock-based compensation expense for both employee and non-employee awards is generally recognized on a straight-line basis over the period in which the Company expects to receive the benefit, which is generally the vesting period.

Loss per Share

The Company reports earnings (loss) per share in accordance with ASC Topic 260-10, ″Earnings per Share.″ Basic earnings (loss) per share is computed by dividing income (loss) available to common shareholders by the weighted average number of common shares available. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. Diluted earnings (loss) per share has not been presented since there are no dilutive securities.

Cash and Cash Equivalents

For purpose of the statements of cash flows, the Company considers cash and cash equivalents to include all stable, highly liquid investments with maturities of three months or less.

Concentration of Credit Risk

The Company primarily transacts its business with one financial institution. The amount on deposit in that one institution may from time to time exceed the federally-insured limit.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Business segments

ASC 280, *"Segment Reporting"* requires use of the *"management approach"* model for segment reporting. The management approach model is based on the way a company's management organizes segments within the company for making operating decisions and assessing performance. The Company determined it has one operating segment as of March 31, 2016.

Income Taxes

The Company accounts for its income taxes under the provisions of ASC Topic 740, "Income Taxes*."* The method of accounting for income taxes under ASC 740 is an asset and liability method. The asset and

liability method requires the recognition of deferred tax liabilities and assets for the expected future tax
consequences of temporary differences between tax bases and financial reporting bases of other assets and liabilities.

Recent Accounting Pronouncements

The Company continually assesses any new accounting pronouncements to determine their applicability to the Company. Where it is determined that a new accounting pronouncement affects the Company's financial reporting, the Company undertakes a study to determine the consequence of the change to its financial statements and assures that there are proper controls in place to ascertain that the Company's financials properly reflect the change. The Company currently does not have any recent accounting pronouncements that they are studying and feel may be applicable.

Note 3. Income Taxes

Deferred income tax assets and liabilities are computed annually for differences between financial statement and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense is the tax payable or refundable for the period plus or minus the change during the period in deferred tax assets and liabilities.

The effective tax rate on the net loss before income taxes differs from the U.S. statutory rate as follows:

	6/30/16
U.S statutory rate	34.00%
Less valuation allowance	-34.00%
Effective tax rate	0.00%

The significant components of deferred tax assets and liabilities are as follows:

	6/30/16
Deferred tax assets	
Net operating gain/(losses)	$ (66,000)
Deferred tax liability	
Net deferred tax assets	
Less valuation allowance	
Deferred tax asset - net valuation allowance	$ 0

Note 3. Income Taxes (Continued)

The Company adopted the provisions of ASC 740-10-50, formerly FIN 48, and “Accounting for Uncertainty in Income Taxes”. The Company had no material unrecognized income tax assets or liabilities as of June 30, 2016.

The Company’s policy regarding income tax interest and penalties is to expense those items as general and administrative expense but to identify them for tax purposes. During the period June 29, 2015 (inception) through June 30, 2016, there were no income tax, or related interest and penalty items in the income statement, or liabilities on the balance sheet. The Company files income tax returns in the U.S. federal jurisdiction and Nevada state jurisdiction. We are not currently involved in any income tax examinations.

Note 4. Related Party Transactions

There have been no related party transactions other than the following related party stock issuances.

Related Party Stock Issuances:

The following stock issuances were made to officers of the company as compensation for services:

On July 8, 2016 the Company issued 7,650,000 of its authorized common stock to Chaise Vidal as consideration for $114,750

On July 8, 2016 the Company issued 7,350,000 of its authorized common stock to Carlos Vidal as consideration for $110,250.

Note 5. Stockholders' Equity

Common Stock

The holders of the Company's common stock are entitled to one vote per share of common stock held.

As of June 30, 2016 the Company had 15,000,000 shares issued and outstanding.

Note 6. Commitments and Contingencies

Commitments:

The Company currently has no long term commitments as of our balance sheet date.

Contingencies:

None as of our balance sheet date.

Note 7 – Net Income(Loss) Per Share

The following table sets forth the information used to compute basic and diluted net income per share attributable to Eco-Waste Power, Inc. for the period January 1st, 2016 through June 30, 2016

	6/30/16
Net Income (Loss)	$ (66,000)
Weighted-average common shares outstanding basic:	
Weighted-average common stock	15,000,000
Equivalents	
Stock options	0
Warrants	0
Convertible Notes	0
Weighted-average common shares outstanding- Diluted	15,000,000

Note 8. Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. Currently, the Company has no operating history and has not generated significant revenue. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management believes that the Company's capital requirements will depend on many factors including the success of the Company's development efforts and its efforts to raise capital. Management also believes the Company needs to raise additional capital for working capital purposes. There is no assurance that such financing will be available in the future. The conditions described above raise substantial doubt about our ability to continue as a going concern. The financial statements of the Company do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

Note 9. Subsequent Events

None/

Note 10. Fiscal year-end

ECO-WASTE POWER, INC. Calendar year - 12 consecutive months beginning January 1 and ending December 31.

5-YEAR STRATEGIC PLAN & GROWTH

ECO-WASTE POWER, INC.

(A DEVELOPMENTAL STAGE COMPANY)

STATEMENT OF CASH FLOWS

Forecasted

					Construction Period (18 months)			
Annual Revenues				2016	2017	2018	2019	2020
Tipping Fee MSW & Tires	$40 /MT	365,000 MT/year		-	-	11,680,000	17,350,000	18,810,000
Sale of Electicity	$0.047/KWhe	194,818 MWhe/year		-	-	11,528,160	19,481,802	23,599,002
Sale of Hydrogen	$5 /kg(H2)	3,273,594 kg/year		-	-	13,870,000	16,367,970	18,192,970
Sale of Recovered Products				-	-	1,804,000	2,255,000	2,755,000
Carbon Credits	$12.05 / MT	267,580 MT/year		-	-	2,568,800	3,211,000	3,811,000
RIN Credits				-	-	1,286,040	1,607,550	2,130,000
Total Revenues				**-**	**-**	**42,737,000**	**60,273,322**	**69,297,972**
Annual Expenses								
Labor and Benefits				790,000	1,250,000	5,245,000	5,245,000	6,245,000
System Maintenance						1,752,000	1,752,000	1,752,000
Utilities & Services				75,000	75,000	50,000	55,000	60,000
Licenses & Leases				125,000	875,000	1,000,000	1,000,000	1,000,000
Supplies and Materials				250,000	75,000	1,463,000	1,650,000	1,500,000
EPC (Construction Initial Payments)				3,800,000	11,200,000			
Contractors				625,000				
Total Expenses				**5,665,000**	**13,475,000**	**9,510,000**	**9,702,000**	**10,557,000**
EBITDA (Operating Income)				**(5,040,000)**	**(13,475,000)**	**33,227,000**	**50,571,322**	**58,740,972**
Notes Payable (Long Term)								
Corporate Debt Securities				16,000,000	16,000,000	16,000,000		
Interest Expense			8%		1,280,000	1,280,000	1,280,000	
Municipal Bonds					125,000,000	125,000,000	125,000,000	125,000,000
Interest Expense			4.19%	-		5,237,500	5,237,500	5,237,500
Operating Income After Interest & Expense				**(5,040,000)**	**(13,475,000)**	**27,989,500**	**45,333,822**	**53,503,472**
Equity Investment				4,000,000	4,000,000	4,000,000	20,000,000	20,000,000
Distributions & Capital Expenses			6%	-	240,000	240,000	1,200,000	1,200,000
Depreciation & Depletion (GDS(MACRS) 15 yrs straight line method))			6.67%	2,083,438	6,250,313	8,333,750	8,333,750	8,333,750
Total Depreciation, Depletion & Capital Expenses				**2,083,438**	**6,490,313**	**8,573,750**	**9,533,750**	**9,533,750**
Taxable Income				**(7,123,438)**	**(19,965,313)**	**19,415,750**	**35,800,072**	**43,969,722**
Taxable Income Federal			35%	-	-	6,795,513	12,530,025	15,389,403
Taxable Income State (without business incentives)			6.97%	-	-	1,352,889	2,494,549	3,063,810
Net Cash Increase (Decrease) for the period				**(5,040,000)**	**(13,715,000)**	**19,601,098**	**29,109,248**	**33,850,259**